

RHS, RBS, RUS, FSA, USDA**§ 1940.557**

(3) C = Tenant farm operators. Source: U.S. Census of Agriculture. 20%

(4) D = Three year average net farm income. Source: USDA Economic Research Service. 15%. This criterion is the inverse of the division of the State mean net farm income by the National mean net farm income. This inverse is used because the need for assistance is inversely proportional to the level of net income. Limits of .5 and 1.5 are placed in this result to limit the influence on the allocation.

(5) E = Value of farm nonreal estate assets. Source: USDA Economic Research Service. 15%

The basic allocation formula is a two-step process. In step one, each criterion is converted to the State's percentage of a National total, multiplied by the weighting factor and summed to arrive at a State Factor: $Aa + Bb + Cc + Dd + Ee$ = State Factor Where A, B, C, D, and E represent selected Criteria expressed as a State Percentage of the U.S. total and a, b, c, d, and e represent Weight expressed as a percentage, given to the selected criterion. The weight assigned each criterion is constant for all States. The State Factor represents the percentage of the total allocation by basic formulas that a State is to receive and is the sum of the weighted criteria percentage for each State. The basic formula allocation is the final step.

(c) *Basic formula allocation.* See § 1940.552(c) of this subpart.

(d) *Transition formula.* See § 1940.552(d) of this subpart. Not used.

(e) *Base allocation.* See § 1940.552(e) of this subpart. Jurisdictions receiving administrative allocations do not receive base allocations.

(f) *Administrative allocations.* See § 1940.552(f) of this subpart. Jurisdictions participating in the formula allocation process do not receive administrative allocations.

(g) *Reserve.* See § 1940.552(g) of this subpart.

(h) *Pooling of funds.* See § 1940.552(h) of this subpart.

(i) *Availability of the allocation.* See § 1940.552(i) of this subpart.

(j) *Suballocation by the State Director.* See § 1940.552(j) of this subpart. Sub-

allocations by the State Director are optional.

(k) *Other Documentation.* See § 1940.552(k) of this subpart.

§ 1940.557 Insured Farm Ownership loan funds.

(a) *Amount available for allocations.* See § 1940.552(a) of this subpart.

(b) *Basic formula criteria, data source and weight.* See § 1940.552(b) of this subpart. The criteria, data source and weight are:

(1) A = Farm operators with sales of \$2,500 to \$39,999 and less than 200 days work off farm. Source: U.S. Census of Agriculture. 15%

(2) B = Farm operators with sales of \$40,000 or more and less than 200 days work off farm. Source: U.S. Census of Agriculture. 35%

(3) C = Tenant farm operations. Source: U.S. Census of Agriculture. 25%

(4) D = Three-year average net farm income. Source: USDA Economic Research Service. 15%. This criterion is the inverse of the division of the State mean net farm income by the National mean net farm income. This inverse is used because the need for assistance is inversely proportional to the level of net income. Limits of .5 and 1.5 are placed in this result to limit the influence of the allocation.

(5) E = Value of farm real estate assets. Source: USDA Economic Research Service. 10%.

The basic allocation formula is a two-step process. In step one, each criterion is converted to that State's percentage of a National total, multiplied by the weighting factor and summed to arrive at a State Factor: $Aa + Bb + Cc + Dd + Ee$ = State Factor where A, B, C, D, and E represent selected Criteria expressed as a State Percentage of the U.S. total and a, b, c, d, and e represent Weight expressed as a percentage, given to the selected criterion. The weight assigned each criterion is constant for all States. The State Factor represents the percentage of the total allocation by basic formulas that a State is to receive and is the sum of the weighted criteria percentage for each State. The basic formula allocation is the final step.

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(c) *Basic formula allocation.* See § 1940.552(c) of this subpart.

(d) *Transition formula.* See § 1940.552(d) of this subpart. The transition range is plus or minus 15%.

(e) *Base allocation.* See § 1940.552(e) of this subpart. Jurisdictions receiving administrative allocations do not receive base allocations.

(f) *Administrative allocations.* See § 1940.552(f) of this subpart. Jurisdictions participating in the formula allocation process do not receive administrative allocations.

(g) *Reserve.* See § 1940.552(g) of this subpart.

(h) *Pooling of funds.* See § 1940.552(h) of this subpart.

(i) *Availability of the allocation.* A portion of the allocation will be targeted to the State's rural socially disadvantaged population. The amount of the targeted funds for each state is equal to the State's rural socially disadvantaged population divided by the State's total rural population multiplied by the State's total fiscal year Insured Farm Ownership allocation. Source of data is U.S. Census 1980.

(j) *Suballocation by the State Director.* See § 1940.552(j) of this subpart. Suballocations by the State Director are optional.

(k) *Other documentation.* See § 1940.552(k) of this subpart.

[49 FR 3727, Jan. 30, 1984, as amended at 53 FR 26229, July 12, 1988]

§ 1940.558 Guaranteed Farm Ownership loan funds.

(a) *Amount available for allocation.* See § 1940.552(a) of this subpart.

(b) *Basic formula criteria, data source and weight.* See § 1940.552(b) of this subpart. The criteria, data source and weight are:

(1) A = Farm operators with sales of \$2,500 to \$39,999 and less than 200 days work off farm. Source: U.S. Census of Agriculture. 15%

(2) B = Farm operators with sales of \$40,000 or more and less than 200 days work off farm. Source: U.S. Census of Agriculture. 35%

(3) C = Tenant farm operations. Source: U.S. Census of Agriculture. 25%

(4) D = Three year average net farm income. Source: USDA Economic Re-

search Service. 15%. This criterion is the inverse of the division of the State mean net farm income by the National mean net farm income. This inverse is used because the need for assistance is inversely proportional to the level of net income. Limits of .5 and 1.5 are placed in this result to limit the influence on the allocation.

(5) E = Value of farm real estate assets. Source: USDA Economic Research Service. 10%

The basic allocation formula is a two-step process. In step one, each criterion is converted to that State's percentage of a National total, multiplied by the weighting factor and summed to arrive at a State Factor: $Aa + Bb + Cc + Dd + Ee = \text{State Factor}$ where A, B, C, D, and E represent selected Criteria expressed as a State Percentage of the U.S. total and a, b, c, d, and e represent the Weight expressed as a percentage, given to the selected criterion. The weight assigned each criterion is constant for all States. The State Factor represents the percentage of the total allocation by basic formulas that a State is to receive and is the sum of the weighted criteria percentage for each State. The basic formula allocation is the final step.

(c) *Basic formula allocation.* See § 1940.552(c) of this subpart.

(d) *Transition formula.* See § 1940.552(d) of this subpart. Not used.

(e) *Base allocation.* See § 1940.552(e) of this subpart. Jurisdictions receiving administrative allocations do not receive base allocations.

(f) *Administrative allocations:* See § 1940.552(f) of this subpart. Jurisdictions participating in the formula allocation process do not have administrative allocations.

(g) *Reserve.* See § 1940.552(g) of this subpart.

(h) *Pooling of funds.* See § 1940.552(h) of this subpart.

(i) *Availability of the allocation.* See § 1940.552(i) of this subpart.

(j) *Suballocation by the State Director.* See § 1940.552(j) of this subpart. Suballocations by the State Director are optional.

(k) *Other documentation.* See § 1940.552(k) of this subpart.